

**TO:** James L. App, City Manager  
**FROM:** Meg Williamson, Interim Public Works Director  
**SUBJECT:** Rescind Bids and Terminate Construction Contracts for Repair of Damage at Centennial Park, Senior Center, Veteran's Building and the Library/City Hall building resulting from the San Simeon Earthquake  
**DATE:** May 4, 2004

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**NEEDS:** For the City Council to consider adopting a resolution rescinding all bids and terminating construction contracts to repair damages to Centennial Park, Senior Center, Veteran's Building and the Library/City Hall, due to the San Simeon Earthquake.

**FACTS:**

1. The City did secure bids for necessary repair work for these structures in conformance with acceptable Public Contract Code Standards.
2. The bid format contained the scope of work to be accomplished and asked for a "lump sum" price.
3. Contracts were to be awarded to the lowest responsible bidder for each project.
3. Subsequent to the bids and contract award, FEMA/OES informed the City that coverage of damages would be limited unless a quantified, line item type bid was issued in lieu of the "lump sum" bids received.
4. City representatives met with FEMA/OES on April 7, 2004 to discuss coverage limits at which time it was determined to be in the best interest of the City to rescind the existing contracts and re-bid the projects using a quantified, line item format.
5. Each contractor to whom bids were awarded were contacted and notified of the City's intent to terminate the contracts for convenience (no reflection of any concerns with the company's ability to perform the work).

**ANALYSIS  
AND**

**CONCLUSION:** Award of the projects as presently bid could result in less than 50% of the lump sum bid amounts received being covered by FEMA funding. FEMA/OES representatives assured City Staff that a unit price, line item bid would be covered in its entirety provided the quantities reflected in the bid are acceptable to FEMA/OES. Staff has worked with FEMA/OES to arrive at a quantified bid that is acceptable to FEMA and will provide adequate repairs to City facilities.

**POLICY**

**REFERENCE:** None

**FISCAL**

**IMPACT:** Costs to repair these facilities will be reimbursed by FEMA.

**OPTIONS:**

- a. Adopt Resolution No. 04-xx rescinding all bids and terminating construction contracts to repair earthquake damages at Centennial Park, Senior Center, Veteran's Building and the Library/City Hall and direct staff to re-bid the projects using a quantified, line item bid.
- b. Amend, modify, or reject the above option.

Attachments:  
1) Resolution

Report Prepared By:  
Doug Monn, Building Official

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
RESCINDING ALL BIDS AND TERMINATING CONSTRUCTION CONTRACTS TO REPAIR  
DAMAGES TO CENTENNIAL PARK, SENIOR CENTER , VETERAN'S BUILDING  
AND LIBRARY/CITY HALL RESULTING FROM THE SAN SIMEON EARTHQUAKE

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WHEREAS, on February 19, 2004 and March 25, 2004, respectively, lump-sum bids were received for the repair of Centennial Park, Senior Center, Veteran's Building and the Library/City Hall and;

WHEREAS, on March 2, 2004 the City Council awarded the construction contract for repair of damages to Centennial Park to Newton Construction in the amount of \$73,096.78; and

WHEREAS, on March 16, 2004 the City Council awarded the construction contract for repair of damages of the Senior Center and Veteran's Center to Don Thiessen construction in the amounts of \$11,785 and \$44,971 respectively; and

WHEREAS, on April 7, 2004, it was determined through meetings with FEMA/OES, that it would be in the best interest of the City to re-bid the projects using a quantified, line item bid format.

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of El Paso de Robles does hereby rescind all bids and terminates contracts associated with the repair of Centennial Park, Senior Center, Veteran's Building and the Library/City Hall; and

SECTION 2. That the City Council of the City of El Paso de Robles does hereby authorize the City Staff to re-bid the necessary repairs using a quantified, line item format.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 4th day of May 2004 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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Frank R. Mecham, Mayor

ATTEST:

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Sharilyn M. Ryan, Deputy City Clerk